

**SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK**

REBECCA BROADWAY LIMITED  
PARTNERSHIP and SPRECHER/FORLENZA  
PRODUCTIONS INC.,

*Plaintiffs,*

*-against-*

MARK CHRISTOPHER HOTTON, SHERRI  
HOTTON, MARC THIBODEAU and JOHN/JANE  
DOES 1-3,

*Defendants.*

**Index No.  
653659/2012**

**AMENDED VERIFIED  
COMPLAINT**

Plaintiffs Rebecca Broadway Limited Partnership (the "Partnership") and Sprecher/Forlenza Productions Inc. (the "General Partner," and together with the Partnership, "Plaintiffs"), though their attorneys Schlam Stone & Dolan, LLP, allege the following as their Verified Complaint against Mark Christopher Hotton ("Hotton"), Sherri Hotton ("Sherri," and, together with Hotton, the "Hottons"), Marc Thibodeau and between one and three unknown individuals (referenced in the caption as John/Jane Does 1-3) in this action:

**INTRODUCTION**

1. This is an action to hold the Defendants accountable for their willful and malicious conduct in trying to destroy a promising Broadway show. Defendants' tortious activities and breach of contract have already caused millions of dollars in damages and gravely wounded the production, which employs dozens of people. Plaintiffs are working tirelessly to salvage the show, but if it cannot be saved, then Defendants are responsible for its destruction, along with at least hundreds of millions of dollars in lost profit damages.

2. The Partnership was formed to bring to the Broadway stage a production called *Rebecca—The Musical* (the “Musical”), which is based on the 1938 novel *Rebecca* by Daphne du Maurier. The Partnership was to finance, manage, and produce the Musical.

3. While seeking investors for the Musical, the General Partner was introduced to Defendant Hotton, who presented himself as a registered stockbroker and someone who had experience in funding theater productions. The General Partner, on behalf of the Partnership, then entered into an agreement with Defendant Hotton to help the Partnership find financing.

4. What followed was an elaborate fraud perpetrated by Hotton on Plaintiffs. As will be described in further detail below, Hotton, aided and abetted by his wife Sherri, invented fictitious investors, forged financial documents, and orchestrated dozens of seemingly-independent communications to Plaintiffs—all ostensibly from bona fide investors, lenders, and their associates—in support of his scheme. At the end of the day, none of the investors or proposed financing Hotton claimed to have found materialized, and Plaintiffs were left scrambling to find funds for the Musical at the eleventh hour.

5. Overcoming long odds, Plaintiffs miraculously succeeded in finding a new, and legitimate, investor (the “Angel Investor”) just in time to save the Musical. The Angel Investor retained counsel, signed subscription documents and a co-producer agreement, and put the necessary funds in escrow to secure an investment in the Musical.

6. But the Angel Investor, who desired strongly to maintain its anonymity, then received three disturbing and malicious emails from Defendant Marc Thibodeau. Those emails spread false rumors about the Musical designed to sow alarm. Unfortunately, they accomplished that objective, ultimately causing the Angel Investor not to release his signed subscription documents and co-producer agreement to the Partnership and to withdraw.

7. As a result of the Defendants' actions, the Musical's opening has been postponed and Plaintiffs have suffered substantial losses.

### PARTIES

8. Plaintiff Partnership is a New York limited partnership with its principal place of business on West 52<sup>nd</sup> Street in New York County.

9. Plaintiff General Partner is a New York corporation with its principal place of business on West 52<sup>nd</sup> Street in New York County. The General Partner is owned by the Sprecher Organization LLC and Louise Forlenza Productions Inc., whose principals are Ben Sprecher and Louise Forlenza, respectively.

10. Defendant Hotton is an individual residing at 501 Corbin Place, West Islip, New York. Hotton was arrested on October 15, 2012 in connection with this scheme and is currently incarcerated.

11. Defendant Sherri Hotton is Hotton's wife and resides at 501 Corbin Place, West Islip, New York.

12. Defendant Marc Thibodeau is an individual residing, upon information and belief, at 180 Riverside Boulevard, New York, New York, who conducted business under the name The Publicity Office. Using that name, Thibodeau maintained his office at 1650 Broadway, Suite 611, New York, NY 10019. Thibodeau specialized in providing publicity and public relations services to the producers of Broadway musicals.

13. In 2012, Thibodeau was retained by Plaintiffs to work with them as the publicist, press agent and public relations agent for Rebecca. For many years prior to 2012, and continuing to date, Thibodeau has also acted as the publicist, press agent and public relations agent for other Broadway musicals, including The Phantom of the Opera.

14. Defendants John/Jane Does 1-3 are an unknown individual or individuals who induced Thibodeau to send three malicious emails in late September 2012 to the Angel Investor or its representatives.

### **JURISDICTION AND VENUE**

15. This Court has subject matter jurisdiction over this action pursuant to Section 140-b of the New York Judiciary Law, which provides that the Supreme Court of New York has general jurisdiction.

16. This Court has personal jurisdiction over Defendants because they committed tortious acts in New York County and Plaintiffs suffered harm in New York County.

17. Venue is appropriate pursuant to Section 503 of the CPLR because the Plaintiffs are domiciled in New York and their principal place of business is in New York County.

18. Venue is appropriate in this County over Plaintiffs' claims against Marc Thibodeau because Thibodeau is a resident of the County of New York, and committed his tortious and wrongful conduct as alleged below in the County of New York.

### **FACTS**

#### **A. Formation of the Partnership and the need for financing**

19. The Partnership was formed in March 2011 to bring an adapted version of *Rebecca*, the well-known novel by Daphne du Maurier, to the Broadway stage.

20. Pursuant to the Partnership's limited partnership agreement, the General Partner was tasked with financing, managing, and producing the Musical. The two principals of the General Partner, Ben Sprecher and Louise Forlenza, are veteran theater producers, having previously produced musicals both on and off Broadway.



21. The Musical required between \$12 and \$14 million in capital to make it to opening night. So starting in 2011, the General Partner, using the contacts of its principals, set out to locate the necessary funding and assemble a production team.

22. In particular, by written agreement dated May 10, 2012, Plaintiffs retained Marc Thibodeau, doing business as The Publicity Office, as the Press Representative for *Rebecca*.

23. During that process, Ms. Forlenza was also introduced to Defendant Hotton by an individual named Jeffrey Troncone. Mr. Troncone, whom Ms. Forlenza had met through a client of her certified public accounting business, put them in touch with a number of potential investors, including one who put \$250,000 into the Partnership. By the time Plaintiffs met Hotton, they had already secured commitments for at least \$7 million in financing.

**B. Hotton commences his scheme by making false representations to Plaintiffs**

24. Ms. Forlenza first spoke with Defendant Hotton in early January 2012. During that conversation, Hotton told her that he was a registered stock broker; that he had previously arranged funding for a successful musical in London's West End; and that he had the contacts to procure funding for the Musical, in addition to funds of his own that he managed.

25. After that meeting, Ms. Forlenza confirmed that Hotton was in fact a registered stock broker previously affiliated with Oppenheimer & Co. When Sprecher and Forlenza subsequently asked Defendant Hotton for additional background information, he promptly provided it in written form.

26. In late January or early February 2012, Defendant Hotton came to Plaintiffs' offices to meet with Sprecher and Forlenza in person. During that meeting, Hotton confirmed that he had raised capital for theater productions previously. The General Partner then retained Defendant Hotton to help secure financing for the Musical in an agreement dated February 7,

2012. Any fees due Hotton under that agreement would come not from the Partnership, but from the General Partner's own interest in the Musical's future adjusted net profits.

27. Defendant Hotton represented that his potential investors resided abroad, with key investors in Australia, Italy, and the United Kingdom. He indicated that he would need to travel to meet these investors in person, and asked Sprecher and Forlenza if they wanted to accompany him on those trips.

28. Since Sprecher and Forlenza were busy attending to the many needs of the Musical, it was decided that Hotton would make the initial trips abroad on his own. Defendant Hotton asked for various advancements of his travel expenses for these trips. The General Partner agreed to pay those expenses, ultimately giving Hotton about \$30,000 in travel-related expenses. Again, those funds did not come from the Partnership, but from the General Partner's interest in the Musical's future adjusted net profits.

29. For example, Ms. Forlenza gave Hotton a check for \$7,500 dated February 8, 2012 as reimbursement for his legal expenses associated with entering into the agreement with the General Partner. In fact, Hotton did not use the check for his legal expenses related to the Musical; it was endorsed over to and deposited by Trinity Management Consulting Corp. ("Trinity Management"), a corporation formed by the Hottons. The registered address for Trinity Management was the Hottons' home. Sherri listed herself in filings with the New York Secretary of State as the Chief Executive Officer and President of Trinity Management.

**C. Hotton locates four investors who sign subscription documents**

30. Armed with his advances, in February 2012 Hotton ostensibly went off to do his work. Between February and April 2012, he informed Plaintiffs that he had found the following

four investors who committed—by signing subscription agreements and other documentation—to become limited partners in the Partnership:

| NAME (RESIDENCE)            | INVESTMENT AMOUNT | SUBSCRIPTION DATE |
|-----------------------------|-------------------|-------------------|
| Paul Abrams (Australia)     | \$2 million       | March 2, 2012     |
| Julian Spencer (UK)         | \$1 million       | March 2, 2012     |
| Thomas Industries Ltd. (UK) | \$1 million       | March 21, 2012    |
| Walter Timmons (UK)         | \$500,000         | April 6, 2012     |

31. Hotton provided Plaintiffs with what appeared to be signed subscription documents on behalf of each of these investors. Each agreement appeared to be filled out in different handwriting and bore other hallmarks of legitimacy (e.g., unique investor contact information and dates of birth). Moreover, Hotton directed Plaintiffs to websites of certain of the investors or their associated businesses, each of which appeared to be genuine.

32. In fact, Hotton was perpetrating an elaborate ruse. None of the investors existed; he had concocted them all. Hotton made up the names, dates of birth, home addresses, email addresses, telephone numbers, and signatures of the purported investors. And he had set up the web sites himself by secretly registering them through one of his entities prior to the fraud. Even the entity through which Hotton signed his agreement with the General Partner, TM Consulting Inc., was a fictitious company that was merely Hotton's alter ego.

33. Hotton took other steps to perpetuate the scam. In May 2012, Plaintiffs put together an event for the Musical's investors in Manhattan. Plaintiffs invited (what Plaintiffs believed to be) the investors brought in by Hotton, and exchanged emails with them about whether they could attend. Due to the fact that they purportedly resided overseas, none

apparently could. But Hotton attended along with his wife Sherri, and they brought along a woman they introduced as the niece of one of the investors. In fact, she was a crony of the Hottons.

**D. The subscription deadline and the apparent passing of a key investor**

34. The Partnership's capitalization date (that is, the date by which all subscriptions were due in order for rehearsals to begin in September) was July 31, 2012. Shortly before then, Hotton told Plaintiffs that Paul Abrams, the largest investor he had found, had contracted malaria and was seriously ill. Plaintiffs were concerned for the health of Mr. Abrams, and had to extend the deadline in light of the circumstances. Right after the capitalization date, on August 5, 2012, Hotton told Plaintiffs that Mr. Abrams had died. This was a lie, although Plaintiffs did not know it at the time.

35. The apparent passing of Mr. Abrams caused delays in the funding of the commitments of the investors brought in by Hotton. Hotton told Plaintiffs that someone named Mr. Wexler would represent the Abrams estate for purposes of the Partnership investment. This was also untrue. Although Plaintiffs did not know it, Hotton had invented Mr. Wexler as well.

36. With time running short—the Musical was set to debut in November 2012—Plaintiffs began communicating directly, and on virtually a daily basis with (what Plaintiffs believed to be) Mr. Wexler and the three other investors brought in by Hotton. Plaintiffs exchanged numerous emails starting in mid-August 2012 with (what Plaintiffs believed to be) the investors and Mr. Wexler surrounding their investment in the Partnership. In one of those emails, Mr. Sprecher expressed his condolences to Wexler about the death of Abrams, even offering to put a dedication in the Broadway program for the Musical in Mr. Abrams's memory.

37. Plaintiffs' transactional attorney also exchanged many emails with Messrs. Wexler and Hotton. The Musical's counsel responded to rounds of due diligence questions from Mr. Wexler about the limited partnership agreement and the mechanics of an investment in the Partnership.

38. As August turned to September, however, the situation became urgent. Plaintiffs frantically tried to communicate with Mr. Wexler—offering to fly to wherever he was in the world to meet him in person—who kept telling them that Mr. Abrams's investment remained tied up in estate matters. In early September, Plaintiffs heard for the first time that the other three of Hotton's supposed investors would not fund their commitments unless Abrams's share came through. Plaintiffs had until then thought they would only need to replace Abrams's \$2 million share. Now, they realized they needed to replace the entire \$4.5 million if the Abrams piece fell through, because the previously-separate investor commitments obtained by Hotton were tied together, even though no contract so required.

**E. Hotton helps Plaintiffs buy more time by helping them obtain bridge financing**

39. By the second half of September, Plaintiffs were having trouble getting responses from Wexler and the other Hotton investors. It appeared that the four Hotton investors had decided not to invest. Hotton seemed distraught over the fact that his investors had not come through, and offered to help Plaintiffs in any way he could.

40. Desperate to get financing and with time running out, Plaintiffs worked with Hotton to obtain bridge financing to buy the Musical more time. Hotton ostensibly helped arrange a bridge financing loan of \$1.1 million for the Musical from an entity called SPS Equity LP in Manhattan.

41. In order to obtain the bridge financing, Plaintiffs and Hotton signed loan documentation pledging the following as collateral to SPS Equity: (a) a brokerage account held by Hotton at Royal Bank of Canada; (b) a brokerage account held by Ms. Forlenza personally; (c) real property owned by Hotton in Eagleswood, New Jersey; (d) Ms. Forlenza's home residence; and (e) Mr. Sprecher's home residence, which he owned with his wife. Mr. Sprecher, his wife, Ms. Forlenza, and Hotton each signed guarantees making them liable personally for the loan.

42. Though Plaintiffs did not know it at the time, the entire bridge financing process too was a sham. Hotton once again invented everything—the SPS Equity loan officer (with whom Plaintiffs spoke by telephone; another apparent confederate of Hotton's), the loan documentation, various entities (such as the title company dealing with Sprecher's Connecticut property), and the would-be financing. Hotton cleverly used fake letterhead, phony entities, and numerous false email addresses to mask the scheme.

43. Plaintiffs never dreamed that Hotton, whom they considered to be a trusted partner, would go so far as to pledge his own property, brokerage account, and sign a personal guarantee in support of the ruse. In fact, Plaintiffs were so convinced as to Hotton's bona fides that Ms. Forlenza wired Hotton \$10,000 from her personal bank account to compensate him for arranging the loan, and put up another \$1,495 of her personal funds to expedite the process of getting a document that (according to the lender) was needed to pledge Hotton's brokerage account.

#### **F. The Angel Investor appears**

44. As the Press Representative for Plaintiffs, Thibodeau was kept informed of all key developments relating to Plaintiffs' efforts to produce *Rebecca*. As Press Representative,

Thibodeau was provided with Plaintiffs' confidential information regarding their efforts to produce the play, the difficulties which Plaintiffs were experiencing as a result of the fraud perpetrated by Hotton (which was still unknown to Plaintiffs at the time), and Plaintiffs' efforts to find replacements for the investment capital that Hotton's investors were supposed to, but did not, provide.

45. By September, the Musical's unfortunate saga (at least the part that was then known to the public; that is, the apparent passing of Mr. Abrams, which led to the withdrawal of three other investors) had started to generate press coverage. Thibodeau handled those relations with the press, including particularly the dealings with Patrick Healy of the *New York Times* and Michael Riedel of the *New York Post*, for Plaintiffs. As part of his duties as Plaintiffs' Press Representative, Thibodeau was kept fully informed about developments concerning the Musical as they became known to Plaintiffs.

46. That press coverage yielded help from an unexpected source. On September 11, 2012, as Plaintiffs were attempting to make arrangements for the temporary bridge financing, they received an email from the Angel Investor, who had read the press reports, believed in the Musical, and stated that it was interested in making a sizable investment in the Partnership.

47. By email to Ben Sprecher dated September 11, 2012, the Angel Investor advised Plaintiffs of his interest in investing in *Rebecca*.

48. The Angel Investor retained counsel, which negotiated a co-producer agreement on its behalf. By email dated September 21, 2012, Plaintiffs learned that the Angel Investor had deposited \$2,250,000 in escrow pending the closing of the transaction. Plaintiffs promptly informed Thibodeau of that development.

49. But the Angel Investor had made it clear to Plaintiffs that an issue of utmost importance was the maintenance of its privacy, and that its involvement with *Rebecca* was to be remain anonymous. The Angel Investor insisted that its identity must remain absolutely confidential.

50. Plaintiffs advised Thibodeau and their attorney of the Angel Investor's condition of absolute privacy and anonymity in connection with its planned investment in *Rebecca*.

**G. Thibodeau's malicious emails torpedo the Angel Investor's commitment**

51. Thibodeau was fully informed about the identity of the Angel Investor, and knew and understood that the Angel Investor insisted on absolute anonymity as a condition of its willingness to invest in *Rebecca*. Thibodeau knew and understood that the investment by the Angel Investor was critical to Plaintiffs' ability to proceed with rehearsals and then production of the play.

52. Thibodeau was fully informed as to the identity of the attorneys representing the interests of the Angel Investor in connection with his contemplated investment in *Rebecca*.

53. Thibodeau owed Plaintiffs a duty of fidelity and loyalty in connection with their efforts to produce *Rebecca*. In particular, Thibodeau was under a duty not to misuse Plaintiffs' confidential information to damage Plaintiffs in any way, including but not limited to the confidential information he had obtained about the Angel Investor.

54. In a flagrant and intentional breach of his duties to Plaintiffs, once Thibodeau learned that the Angel Investor was willing and able to proceed immediately to providing funding to Plaintiffs that would allow them to produce and open *Rebecca*, Thibodeau concocted a scheme to dissuade the Angel Investor from investing in the play, and to destroy Plaintiffs' investment in *Rebecca*.



55. On or about September 25, 2012, as part of his scheme to destroy Plaintiffs' investment in *Rebecca*, using the pseudonym "Bethany Walsh," Thibodeau sent an email to the Angel Investor's attorney, advising him to read an article in the New York Times "as there is a serious possibility of fraud of grave concern."

56. On September 26, 2012, as a further part of his scheme to destroy Plaintiffs' investment in *Rebecca*, and again using the pseudonym "Bethany Walsh," Thibodeau sent an email to another attorney for the Angel Investor which consisted of the entire text of an unflattering article about Plaintiffs that had been published earlier that day in the New York Post.

57. Despite those efforts to destroy *Rebecca*, Thibodeau learned that the Angel Investor was still proceeding with its intention to invest \$2.25 million in the Musical.

58. On September 26, 2012, the Angel Investor's attorney advised Plaintiffs that the Angel Investor had formally committed to invest in the Musical. The attorney possessed both the Angel Investor's signature on the subscription agreement pursuant to which it would make its investment in *Rebecca* as well as the Angel Investor's \$2.25 million investment to be held in escrow pending the closing of the transaction. Plaintiffs promptly informed Thibodeau of those developments.

59. Also on September 26, 2012, Plaintiffs advised the cast of *Rebecca* that the production would resume rehearsals on the following Monday, October 1, 2012. Plaintiffs promptly informed Thibodeau of that development.

60. When he discovered that his two earlier emails had failed to deter the Angel Investor from investing in the production of *Rebecca*, Thibodeau decided that his only chance of destroying Plaintiffs' investment was to violate the one inflexible condition that the Angel

Investor had set at the beginning: its role with respect to *Rebecca* was to remain completely anonymous.

61. On September 28, 2012, this time using the pseudonym “Sarah Finkelstein,” Thibodeau sent an email directly to the Angel Investor, telling the Angel Investor that Plaintiffs had concocted the story about “Paul Abrams” and that the information provided by Plaintiffs was “extremely suspicious.” In addition, Thibodeau wrote ominously that “the walls are about to cave in on Mr Sprecher and the Rebecca Broadwayproduction.” Thibodeau further warned that “[t]he cloud hanging over this production is very very dark” and that “with this prospect of fraud, an ongoing money shortage, a bad public perception, anemic ticket sales, and a rabid press corps, the only good reason to invest in rebecca would be for a tax write-off and a desire to be dragged into a fraud trial.” (All errors are reproduced from the original). These statements were untrue when made and made with malicious intent.

62. In the same email, Thibodeau further wrote that “[e]ven before any of this happened, Rebecca’s prospects were not very promising and every major regular Broadway investor ha[d] passed on being part of the show.” That too was false and malicious. In fact, tickets for *Rebecca* had been selling briskly, and included among *Rebecca*’s investors as co-producers were major Broadway players such as The Shubert Organization, David Mirvish, and Stage Entertainment.

63. Merely by being sent to the Angel Investor’s direct email account, Thibodeau’s email informed the Angel Investor that its identity was now known to at least one individual hostile to Plaintiffs’ efforts to produce *Rebecca*. Within hours of receiving that email, the Angel Investor instructed its attorneys not to release to Plaintiffs the executed agreement for its

participation in the production of *Rebecca* and instead to inform Plaintiffs that the Angel Investor had decided to pull out of the deal.

64. Several hours after Thibodeau sent his malicious email directly to the Angel Investor, Plaintiffs' attorney received an email from the Angel Investor's attorneys, stating that they would call Plaintiffs' attorney to discuss the "Sarah Finkelstein" email. In that conversation, the Angel Investor's attorneys advised Plaintiffs (through their attorney) that the Angel Investor had decided to pull out of the deal. The Angel Investor's attorneys confirmed that position in writing by email a few minutes after the call ended.

65. Sprecher and Forlenza learned of those devastating developments while they were driving to Eagleswood, New Jersey so that they could personally obtain what they thought was a public record apparently needed to clear the title on Hotton's property there. During the trip, their attorney informed them that an unknown person, whom Plaintiffs now know to be Thibodeau, had sent an email to the Angel Investor's personal email account that caused the Angel Investor to withdraw from the Musical.

66. Plaintiffs tried to convince the Angel Investor to stay on board, notwithstanding the false rumors spread by Thibodeau. They did not succeed.

67. On the morning of September 29, 2012, Plaintiffs told Thibodeau about the email received by the Angel Investor without realizing that Thibodeau was the one who had sent it. Plaintiffs asked Thibodeau to prepare a press release announcing the postponement of the Musical and told him that this development was to be kept absolutely confidential until Plaintiffs could inform all key personnel at a meeting scheduled for September 30, 2012 at 4:00 pm. In the meantime, Plaintiffs worked through the weekend until the last possible moment to try to pull together replacement financing.

68. On the afternoon of September 29, 2012, Thibodeau resigned via email. Plaintiffs immediately contacted Thibodeau and begged him to stay on board until the press release went out. Thibodeau agreed to send out the release as his last act for the Musical. Thus, on September 30, 2012, Thibodeau issued a press release that detailed how an “anonymous third party” (whom Thibodeau of course knew to be himself) sent the email that derailed the Musical.

69. Upon information and belief, Thibodeau did not act alone, and was induced to take the malicious actions described above by Defendants John/Jane Does 1-3. Upon information and belief, Defendants John/Jane Does 1-3 are individuals having an interest in seeing Plaintiffs’ efforts to produce *Rebecca* fail and Plaintiffs’ rights in and to *Rebecca* to lapse.

**H. Hotton is arrested and charged with wire fraud for defrauding Plaintiffs**

70. On October 15, 2012, Hotton was arrested by the FBI on a charge of wire fraud based on his participation in this scheme to defraud Plaintiffs. He was also charged with other, unrelated schemes.

71. According to the criminal complaint, filed in the United States District Court for the Southern District of New York, Hotton “engaged in a series of elaborate deceptions and subterfuges, repeatedly and falsely baiting Rebecca’s producers into paying him in connection with his false assurances of additional financing for their musical.”

72. Further, Hotton had never told Plaintiffs that after May 2012, he had ceased being registered with FINRA, the Financial Industry Regulatory Authority, as a stock broker.

**I. The harm caused by Defendants**

73. The withdrawal of the Angel Investor, following the collapse of the bridge financing and the vanishing of Hotton’s fictitious investors, has forced Plaintiffs to postpone the Musical’s opening. Plaintiffs continue to try to save the show, and Sprecher and Forlenza,

through the General Partner, have put up significant amounts of their personal funds in the process.

74. All told, Hotton fraudulently induced Plaintiffs into paying him about \$50,000 by preying on their need for funding to keep the Musical alive. And Hotton induced Plaintiffs to spend millions of dollars based on the false belief that the Partnership had the financing they needed to bring the Musical to life.

**FIRST CAUSE OF ACTION -- FRAUD (AGAINST HOTTON)**

75. Plaintiffs repeat and reiterate paragraphs 1 to 74 as though set out fully herein.

76. Hotton made the false representations and omissions described above in support of his scheme to defraud Plaintiffs. In particular, Hotton falsely represented that he had previously raised funds for a successful theater production in London and that he had the necessary contacts to procure funds for the Musical. He created fictitious email accounts, individuals, and entities to carry out the scheme. And he arranged a sham financing process that purportedly included pledging his own assets and property to bilk Plaintiffs out of yet more funds.

77. Hotton made the false representations and omissions described above, and carried out the scheme described above, with intent to deceive Plaintiffs.

78. Plaintiffs justifiably relied upon Hotton's misrepresentations and omissions.

79. Plaintiffs were directly damaged by their justified reliance and the trust that they placed in Hotton.

80. In addition to the tens of thousands of dollars directly sent to Hotton or his surrogate entities, Plaintiffs have spent millions of dollars that they would not otherwise have disbursed but for Hotton's fraudulent scheme.

## **SECOND CAUSE OF ACTION -- CONVERSION (AGAINST HOTTON)**

81. Plaintiffs repeat and reiterate paragraphs 1 to 80 as though set out fully herein.

82. Hotton obtained about \$50,000 in advancement of travel expenses and other fees purportedly associated with the bridge financing under false pretenses. Hotton has exercised dominion and control over such funds and converted them for his own purposes instead of their intended use.

83. Hotton's acts in converting Plaintiffs' funds rose to the level of criminal conduct—indeed, Hotton has already been arrested for it—for which punitive damages should be awarded in excess of the amount converted.

## **THIRD CAUSE OF ACTION -- BREACH OF CONTRACT (AGAINST HOTTON)**

84. Plaintiffs repeat and reiterate paragraphs 1 to 83 as though set out fully herein.

85. Plaintiffs entered into an agreement with Hotton through which Hotton was supposed to help Plaintiffs find investors in return for compensation from the General Partner's own interest in the Musical's future adjusted net profits.

86. Plaintiffs complied with the agreement in all respects.

87. Hotton breached the agreement from the get-go. In fact, Hotton never even tried to find the investors he had promised to locate. He breached the contract by making up fictitious investors, while improperly collecting advancement of various travel-related expenses for trips that were never taken, along with other fees.

88. Hotton's breaches caused Plaintiffs to spend at least \$2 million that they would not otherwise have spent. They also caused Plaintiffs lost profit damages, which profits were contemplated by the parties at the time they entered into the contract.

89. By reason of Hotton's breach of contract, Plaintiffs were damaged in an amount exceeding several hundred million dollars and should be awarded punitive damages as well.

**FOURTH CAUSE OF ACTION -- UNJUST ENRICHMENT (AGAINST HOTTONS)**

90. Plaintiffs repeat and reiterate paragraphs 1 to 89 as though set out fully herein.

91. By reason of the forgoing the Hottons have received about \$50,000 from Plaintiffs that they should not have received and which they cannot in good conscience be allowed to retain.

92. By reason of the foregoing, the Hottons have been unjustly enriched.

93. Plaintiffs are entitled to the return of all amounts the Hottons have been unjustly enriched.

**FIFTH CAUSE OF ACTION -- AIDING AND ABETTING FRAUD (AGAINST SHERRI)**

94. Plaintiffs repeat and reiterate paragraphs 1 to 93 as though set out fully herein.

95. Sherri aided and abetted Hotton's fraudulent scheme against Plaintiffs.

96. Sherri was, at all relevant times, aware of the scheme perpetrated by Hotton. Her actual knowledge is evidenced by her participation in various steps of the scheme.

97. Sherri substantially participated in Hotton's scheme by depositing checks from Plaintiffs into Trinity Management, an entity she controls.

98. Sherri substantially participated in Hotton's scheme by appearing at an event for the Musical's investors and falsely pretending that the niece of one of Hotton's investors was present.

99. Plaintiffs have been damaged as a result of Sherri's aiding and abetting of Hotton's fraudulent scheme.

**SIXTH CAUSE OF ACTION -- BREACH OF CONTRACT (AGAINST THIBODEAU)**

100. Plaintiffs repeat and reiterate paragraphs 1 to 99 as though set out fully herein.

101. The Angel Investor had signed a subscription agreement and a co-producer agreement reflecting its commitment to invest in the Musical and had put \$2.25 million in escrow.

102. Thibodeau was aware that the Angel Investor had signed a subscription agreement and a co-producer agreement reflecting its commitment to invest in the Musical and had put money in escrow.

103. Thibodeau intentionally caused the Angel Investor to withdraw its financial commitment to the Musical by sending the false and malicious emails described above. But for those emails, the Angel Investor would have invested in the Musical.

104. In sending those false and malicious emails, and in otherwise acting to destroy Plaintiffs' investment in *Rebecca*, Thibodeau breached his contractual obligations to Plaintiffs.

105. Thibodeau's wrongful conduct as aforesaid has damaged Plaintiffs. Thibodeau's conduct was intended to, and did, have the result of causing the loss of the Angel Investor's investment. Thibodeau knew and intended that the Angel Investor's refusal to proceed with its investment would prevent the Musical from going forward unless replacement financing could be found.

106. Thibodeau is liable for all of the damages caused by his said wrongful conduct.

**SEVENTH CAUSE OF ACTION – BREACH OF FIDUCIARY DUTY (AGAINST THIBODEAU)**

107. Plaintiffs repeat and reiterate paragraphs 1 to 106 as though set out fully herein.

108. Thibodeau owed Plaintiffs a fiduciary duty of fidelity and loyalty.



109. By his malicious conduct as aforesaid, Thibodeau breached his duty of fidelity and loyalty to Plaintiffs, and caused them damages as aforesaid. By reason of the foregoing, Thibodeau is liable to Plaintiffs for all of the damages caused by his breach of fiduciary duty, in an amount to be determined at trial.

**EIGHTH CAUSE OF ACTION -- TORTIOUS INTERFERENCE WITH CONTRACT  
(AGAINST JOHN/JANE DOES 1-3)**

110. Plaintiffs repeat and reiterate paragraphs 1 to 109 as though set out fully herein.

111. Defendants John/Jane Does 1-3 were aware that Plaintiffs had retained Thibodeau as their publicist, press agent and public relations agent for the production of *Rebecca*.

112. To benefit themselves and to harm Plaintiffs, Defendant John/Jane Does 1-3 induced Thibodeau to breach his contract with Plaintiffs. As a result of the inducement by Defendant John/Jane Does 1-3, Thibodeau sent the aforesaid malicious and false emails to the Angel Investor and his counsel with the intention and the result of causing the Angel Investor to withdraw from the production of the Musical.

113. The conduct of Defendant John/Jane Does 1-3 was illegal, wanton and malicious and specifically was intended to interfere with Plaintiffs' business relationship with Thibodeau and has succeeded in doing so.

114. Accordingly, Defendant John/Jane Does 1-3 are jointly and severally liable for tortious interference in an amount to be determined at trial. Defendant John/Jane Does 1-3 should also be enjoined from this conduct in the future.

**NINTH CAUSE OF ACTION -- DEFAMATION (AGAINST THIBODEAU)**

115. Plaintiffs repeat and reiterate paragraphs 1 to 114 as though set out fully herein.

116. On September 25, 2012, Thibodeau sent an email to the Angel Investor's counsel warning of "a serious possibility of fraud of grave concern" and referring to a New York Times article concerning the Musical.

117. On September 26, 2012, Thibodeau sent an email to the Angel Investor's counsel forwarding a New York Post article concerning the Musical.

118. On September 28, 2012, Thibodeau sent an email to the Angel Investor directly warning that "the walls are about to cave in on Mr Sprecher and the Rebecca Broadwayproduction"; falsely stating that "[e]ven before any of this happened, Rebecca's prospects were not very promising"; and falsely stating that "the only good reason to invest in rebecca would be for a tax write-off and a desire to be dragged into a fraud trial." (All errors are reproduced from the original). Thibodeau's email also falsely stated that the Musical's prospects were not good and that every major Broadway investor had already passed on the show.

119. These statements were untrue, and were made with malicious intent.

120. As a result of these statements, the Angel Investor withdrew its \$2.25 million commitment to the Musical. As a result of these statements, Plaintiffs have been unable to secure replacement financing for the Musical and the Musical may not survive.

121. Because these statements tend to injure Plaintiffs' business, the statements constitute defamation per se.

122. Thibodeau and Defendants John/Jane Does 1-3 are jointly and severally liable for defamation in an amount to be determined at trial.

123. Defendants also should be enjoined from making further defamatory statements about Plaintiffs and the Musical.

**TENTH CAUSE OF ACTION – AIDING AND ABETTING BREACH OF FIDUCIARY  
DUTY OF LOYALTY AND FIDELITY (AGAINST JOHN/JANE DOES 1-3)**

124. Plaintiffs repeat and reiterate paragraphs 1 to 123 as though set out fully herein.

125. By means of their aforesaid actions, Defendant John/Jane Does 1-3 aiding, abetted and induced Thibodeau to breach his fiduciary duty of loyalty and fidelity to Plaintiffs.

126. As a result of said breach of fiduciary duty, Plaintiffs have been damaged as aforesaid.

127. By reason of the foregoing, Defendant John/Jane Does 1-3 are liable to Plaintiffs for the damages suffered by Plaintiffs as a result of the said breach of fiduciary duty, in an amount to be determined at trial.

WHEREFORE, Plaintiffs demand relief as follows:

On the FIRST CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least several million dollars plus punitive damages;

On the SECOND CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$50,000 plus punitive damages; and

On the THIRD CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$100,000,000, which amount shall include lost profits, plus punitive damages;

On the FOURTH CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$50,000 plus punitive damages;

On the FIFTH CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least several million dollars plus punitive damages;

On the SIXTH CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$100,000,000 which amount shall include lost profits, plus punitive damages;

On the SEVENTH CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$100,000,000, which amount shall include lost profits, plus punitive damages, and an injunction preventing further conduct;

On the EIGHTH CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$100,000,000, which amount shall include lost profits, plus punitive damages, and an injunction preventing further conduct;

On the NINTH CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$100,000,000, which amount shall include lost profits, plus punitive damages, and an injunction preventing further conduct;

On the TENTH CAUSE OF ACTION a money judgment in an amount to be determined by the trier of fact, but which is at least \$100,000,000, which amount shall include lost profits, plus punitive damages, and an injunction preventing further conduct; and

Interest, costs, and attorneys' fees, along with such other and further relief to  
Plaintiffs as the Court deems just.

Dated: New York, New York  
January 29, 2013

**SCHLAM STONE & DOLAN LLP**

By: \_\_\_\_\_/s\_\_\_\_\_  
Richard H. Dolan  
Erik S. Groothuis  
26 Broadway  
New York, New York 10004  
Telephone: (212) 344-5400

*Attorneys for Plaintiffs*

**VERIFICATION**

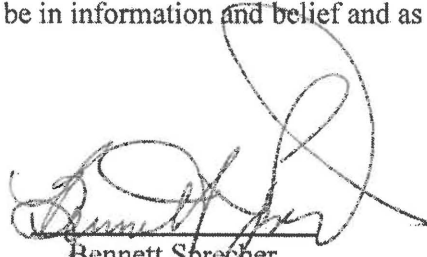
STATE OF NEW YORK       )  
                                  ) ss:  
COUNTY OF NEW YORK    )

I, BENNETT SPRECHER, having been duly sworn deposes and says:


1.     I am the Managing Partner of the General Partner of the Partnership.

2.     I have read the foregoing Complaint and am familiar with the contents

thereof. That document is true to my own knowledge, except as to matters therein stated on information and belief or apparent from the context to be in information and belief and as to those matters, I believe them to be true.

  
Bennett Sprecher

Sworn to before me this 28<sup>th</sup>  
day of January, 2013

  
Notary Public

